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ABSTRACT

A methodology is needed for comparing the needs and wants of the private sector, public sector, and client sector in order to increase the involvement of the private sector in youth employment programs. Because such a methodology has not been available, the client (unemployed youth) is often at the mercy of the private sector employer and the public sector administration agency. The extent to which the employers and agencies coexist, adjust, and cooperate determines the extent to which client needs are met. The public agency must take the initiative to satisfy employer needs if employers are expected to increase their involvement in terms of helping clients. Attempts should be made to define each group's needs, understand them, negotiate them when necessary, and fill them. This may require a different outlook on the part of funding agencies and public agencies. Shifts from client-centered program efforts to employer-centered program efforts which do not rely primarily on subsidies are needed if overall commitment, implementation, and long term solutions to unemployment problems are to be found. A new evaluation model based on a matrix of sector needs in numerous areas of concern should result in an ongoing management system designed to incorporate realistic private sector needs into the service model. (KC)

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INVOLVING THE PRIVATE SECTOR: REALITIES AND ILLUSIONS

MATRIX NEEDS ASSESSMENT FOR INVOLVED SECTORS

by

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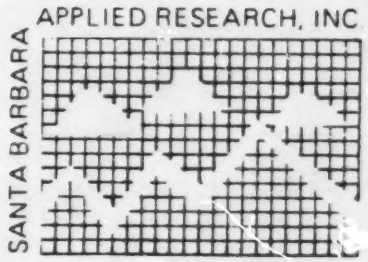

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INVOLVING THE PRIVATE SECTOR: REALITIES AND ILLUSIONS

At a time when nationwide youth unemployment is estimated at 19% (almost unchanged since 1978), the Reagan administration is actively dismantling youth employment training programs, CETA, and numerous other federally funded job development programs. Perhaps these cuts are being made due to the fact that millions of dollars have been pumped into employment programs and the youth unemployment rate is still almost three times that of the nation's adults. In other words, the programs designed to reduce unemployment do not appear to have been cost effective.

The complexity of the problems of youth unemployment is undeniable. In response, complex solutions have been proposed, implemented and evaluated. These solutions have included elementary school through adult school career education in the form of career exploration, career development, work-site experiences, subsidized employment, unsubsidized employment, employer counseling, and numerous other approaches directed at providing clients with the awareness and opportunities to begin developing work skills and employment capabilities. Underlying these complexities exist divergent needs that jeopardize the success of attempted solutions. In particular, the needs and wants of private businesses, public agencies, and clients are often in conflict to the extent that when planned solutions fail to satisfy the needs of any one group, the solution attempt falls apart, or continues only so long as external funding continues.

The intent of this paper is to propose a methodology for comparing the needs and wants of the private sector, public sector, and client sector with the objective of increasing the involvement of the private sector in youth employment programs proposed by the public sector. Two assumptions have guided

the development of the methodology. First, when the public sector's ability to address the needs of each group differs, different levels of private sector involvement in employment programs occur. In other words, incentives to private sector employers' involvement and increased commitment by them may be developed by defining, understanding, and responding to private sector employer needs, with regard for how these needs relate to client sector and public sector needs. The second important assumption made here is that needs assessment, planning, implementation, and evaluation of programs require congruence. That is, each level of activity depends on the previous one (e.g., planning depends on needs assessment). All plans and activities should be accomplished to solve identified problems or reduce needs. Outcome evaluation should be directed at the extent to which needs have been satisfied by program activities. This is referred to as the interaction among management functions. Furthermore, as indicated below, public agencies which write proposals, receive funding, and conduct projects and programs generally deal with their own fiscal needs by pointing out the needs of clients while often ignoring needs of the employer.

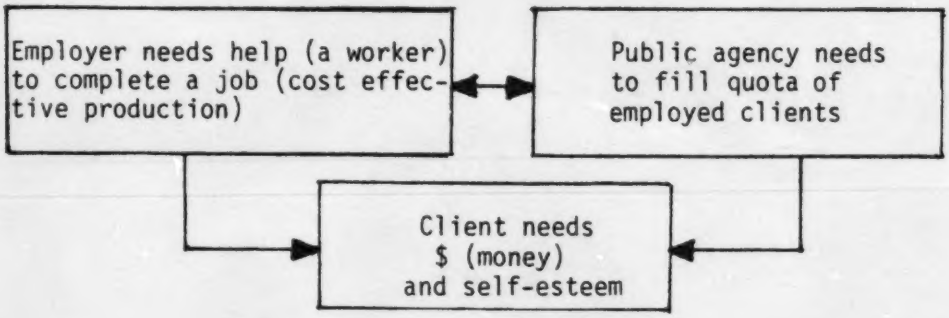
In education and other public sector programs, evaluation of program outcomes is often attempted in light of stated "outcome" objectives. These objectives are often stated in measurable terms. Stating outcome objectives in measurable terms is often a requirement of the funding agency. When a public agency applies for funding the application is reviewed competitively, with points awarded for each section of the proposal. Two sections of the proposal which usually have the potential of winning about 50% of the points needed for funding are entitled, "Needs Assessment" and "Evaluation." Since employers generally have different needs than the public agency created to serve them, different needs than the clients, and therefore different standards

for determining program success, and since the needs of private sector employers are often ignored or overlooked, there is bound to be some private sector resistance to the acceptance of public sector employment training programs. This paper will describe some of the needs of the private sector which are obvious to employers but which are not currently addressed in legislation or research.

Some current public sector approaches to employment programs include minimum wages, work subsidies, and targeted jobs tax credits. That is, a heavy emphasis is being placed on financial support to private sector employers during the early stages of work-site client involvement. Most of the financial support efforts are directed at helping "hard to employ" clients. The question of how financial support addresses the needs of all three implementation groups, thereby affecting involvement, (private businesses, public agencies, and clients) may be discussed. First, with regard to client needs, financial support to the employer has been shown to increase private sector involvement (Johnson 1980) which has eventually provided clients with needed money. If the private employer has a need for a worker, and someone (the public agency) pays that worker during early training, the employer would indeed be a poor businessman not to take advantage of free labor. However, if the employer has no need for a new employee, the employer may turn down the offer of the subsidy.

Additionally, the commitment of the employer after subsidized employment of involvement ends is open to serious question. This problem of commitment will be addressed later. From the public agency's perspective, each time an employer hires a client, the agency is one step closer to reaching its quota (sometimes called "outcome objective"). The local public agency's bottom line need is generally to "place" a certain annual number of clients, in spite of numerous other affective and cognitive client outcome objectives (e.g., Spooner,

1977). Graphically then, the relationship looks like this:


Employer needs help (a worker) to complete a job (cost effective production)
Public agency needs to fill quota of employed clients
Client needs $ (money) and self-esteem

Generally, showering employers with money with which they may hire clients often ends in client termination which coincides with program termination. This lack of local continuation after funding is common to many categories of federally and state funded programs and projects. The client's need for money may have existed, but the employer's need for help may not.

Now is the time, therefore, to review the employer who does need an employee and to look further at the differences between the philosophies of private sector employers and public agencies as they seek to fulfill their objectives.

This paper is not intended to question or slur the commitment to youth with which the majority of employment projects and programs operate. Rather, the intent is to reveal other, unstated, commitments and to propose the inclusion of new commitments when planning and operating employment training programs.

Beginning with an employer who has a job that needs to be done, concern for and recognition of the employer's need for cost effective production is of paramount importance. If left to his own devices, the employer will seek the "best" qualified individual for the job. While ethnic, racial, sexual

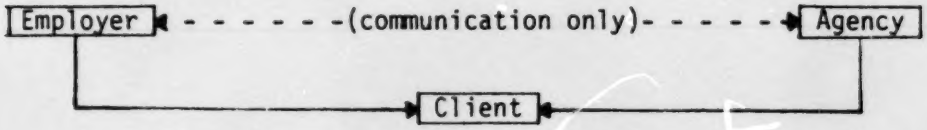
and age discrimination exist, the employer will generally select a candidate from a subpopulation, who the employer feels will get the job done. This feeling of who is "best" depends, in turn, on many factors in addition to skill qualifications. For instance, "looks" and "presentability" may go far in terms of biasing the employer one way or another. The important point is that the employer selects, hires, and lives with (or fires) whoever is chosen. The employer has made the choice and is likely to exhibit commitment to the employee, who often forms a reciprocal relationship. Further, when job demands exceed labor supplies, many private sector employer prejudices fall by the wayside in an effort to get the job done. The basic philosophy is eventually economically dictated and is one of "get the job done in a cost effective manner." This generally implies the objective of hiring qualified and committed people.

The public agency targeted to careers for unemployed youth from ethnic minorities has a need to satisfy the funding source (fill the quotas), while attempting to serve perceived client needs (fill other objectives), such as development of self-image, basic skills, work attitudes, career knowledge, and others. The philosophy of the agency is one of political awareness in an effort to serve perceived client needs. Often, the perception of client needs is unrealistic. For instance, many "career education" projects mistakenly assume that most high school students are career conscious or ready to look seriously at careers.

Although the client's major need is money and what it will do for him, there is also a small group of clients who may want to explore careers. The group dedicated to exploring careers (although this sounds ideal) often receives cool employer acceptance (Ryan 1980). Generally, the client who is interested in exploration, does not exhibit commitment to the work focus of the employer.

In subsidized employment the public agency seeks to fill the perceived needs of the client and communicates with the employer to obtain employment for the client.

Subsidized Employment



The extent to which the needs are congruent or compatible with other factors determines, to some extent, whether or not the employer becomes involved. For instance, if the agency retains the right to select and send clients to the private employer, or targets a special group, the employer perceives this action as a reduction in his/her capability to freely select the most qualified candidate and may refuse involvement even when subsidies are offered and when the employer has a true need for labor.

However, if we want to reduce unemployment on the long term basis, employer needs should be of primary concern with the agency and the client working to meet these needs.

Unsubsidized Employment

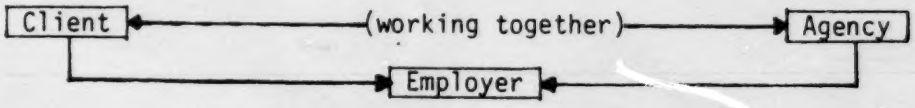


Table 1 on the following page depicts an incomplete sample of "Sector Needs" cross tabulated by "Areas of Concern" and represents an extension of the previous discussion. Included as other possible areas of concern are training, human development, client characteristics, information, and working relationships. The reader will note that space has been left on the table so that the reader may begin adding other ideas as new thoughts occur.

SECTOR

AREA OF CONCERN	PRIVATE BUSINESS (EMPLOYER)	PUBLIC AGENCY (PROJECT)	CLIENT
Philosophy	Cost-effective production, commitment	Quotas filled Other outcome objectives	Money Exploration of other possibilities Experience, if career selected
Financial Support (Subsidies)	Labor (free or at reduced price)	Quotas filled	Money
Training	Specific to business involved or done at business	Group training for general field of employment	High school completion Pay while training Experience
Human Development	Motivation, commitment, attendance, honesty, cooperation	Completion of outcome objectives	Training
Client Characteristics	Skilled or easily trainable English language "Best" qualified "Industry" as a culture Good basic skills	Culturally sensitive	Training and Education (modifiable)
Information	Security of information	Disclosure of information	Information related to jobs
Working Relationship	Employer selection Commitment to area interest	Agency recruitment Clients matched to employers	Self selection into program
Planning	Commitment of public agency to the needs of businesses	Proposal in by deadline	Commitment when involved
Evaluation			

The last area of concern, "Evaluation," has been left completely blank. As stated earlier, evaluation should assess the extent to which all sector needs have been met. Using the proposed matrix, a public agency would have a new and totally different perspective from which to evaluate a project. Evaluation efforts should focus on each sector's needs satisfaction and results could, in turn, feed renewed planning efforts resulting in a more dynamic system designed to manage private sector employer involvement than presently exists.

CONCLUSIONS

The client is most often at the mercy of the private sector employer and the public sector administration agency. The extent to which the employers and agencies coexist, adjust, and cooperate determines the extent to which client needs are met. The public agency must take the initiative to satisfy employer needs if employers are expected to increase their involvement in terms of helping clients.

The extent to which planners identify and deal with the needs of all groups active at the implementation level will, in part, determine the extent to which each group is involved and satisfied. Attempts should be made to define each group's needs, understand them, negotiate them when necessary, and fill them. This may require a different outlook on the part of funding agencies and public agencies. Shifts from client-centered program efforts to employer-centered program efforts which do not rely primarily on subsidies are needed if overall commitment, implementation, and long term solutions to unemployment problems are to be found.

A new evaluation model based on a matrix of sector needs in numerous areas of concern should result in an ongoing management system designed to incorporate realistic private sector needs into the service model. The net effect of the matrix assessment model should be to reduce public sector illusions of private sector needs (and vice versa), resulting in increased private sector involvement in employment training programs.